

Addendum to Patent Registration

1 Alternative Business Relationship

Appletix business process and technology allows for a direct business relationship with the E-Commerce Sites or Fraud Detection Level 1 (DF1) companies, which today are doing the initial validation and verification of a credit card clearing process. This business relationship can potentially substitute the business relationship between Appletix and its Credit-Card Partner (Issuer) in the following way:

1. Appletix openly publishes a "false" credit card (FCC) number for its transactions.
2. The FCC number can be identified by either the ECS or the FD1.
3. Appletix encodes Transaction ID (TID) in the cardholder's name field of existing credit card payment Web forms.
4. ESC or FD1 can initially validate the TID against Appletix signature on it, and can authorize the TID via Appletix open Internet API.
5. Once an authorization is issued to an ECS or a FD1 through the open Internet API, Appletix guarantees the transaction payment.

The benefits of this model are potential commission saving with respect to a regular credit card clearing process, guaranteed payment for the merchant (since Appletix can verify the buyer's identity) and added security and strong fraud prevention mechanism (i.e. cost savings on fraud management and recovery).

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2 Additional Services

Some additional services that can be offered using SPA FEC interface are:

1. ECS credibility meter and other statistics and information (average buy, average delivery time, satisfaction, etc.) according to rating by Appletix shoppers.
2. Delivery follow-up, including expected arrival time, notification about coming delivery date, statistics collection about service, etc.
3. Mutual surfing of two or more people by initiating FEC page retrievals of the same site HTML pages that are processed by BEG.